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DANGEROUS "TRUSTS."

WE have entered upon a dangerous epoch in the evolution of our civilization, and hardly a fortnight passes now without developing some new combination of gigantic "trusts" of some corporate, industrial, or commercial interest, to fix the price to consumers of all sorts of things and commodities, independent of the economic operations of the law of supply and demand. One of the first, as well as one of the greatest combinations ever formed was the Standard Oil Company, and it has thus far been so eminently successfully in absolutely controlling the market price of oil, regardless of consumers or producers, and in defiance of supposed well settled principles of political economy, that it has inevitably bred an ugly brood of imitators.

The next great combine was the whisky trust, commonly known as the whisky ring. This became so strong and potential that it commanded the submission, not only of States, but of the National Government, to its behests and interests. It insists upon a monopoly tax upon whisky, but generally pays the tax (if at all) only when it suits its own convenience. The people of this country have already become weary of hearing of trust conspiracies for the monopoly of beef, salt, gas, coal, oil, rubber, lead, lead pencils, copper, etc., indeed, almost everything which may be controlled by aggregated capital.

Perhaps one clear and concise statute forbidding corporations or aggregated capital to do business except as a unit would break up these pernicious trusts, which have been so serious a menace to commercial progress and to our future national prosperity. The introduction of such an enactment is imperatively demanded by the requirements of the situation. Otherwise all competition, the life of all trade, will be eventually crushed out. An economic writer of great force says: "The 'trusts' are, in effect, corporations created without the consent of the state, and

not subject to the control exercised over legalized corporations. The combination of coal companies to sustain the prices of coal and to arbitrarily limit production is practically a 'trust' in the general scope of its operations. The steel-rail combination is of like character. And so with others. *The object of all these combinations is to effect an illegal purpose by legal means.* What is to be done with them? It is a well settled principle of law that associations have no more right to inflict injuries upon others than individuals have. But these associations merely agree verbally to quit selling their products until their price shall be offered them. The 'trusts' do not hesitate to undersell troublesome competitors or to overbid them for necessary raw material, thus making themselves, if successful, the only wholesale buyers and the only wholesale sellers of the commodities they deal in. After having established themselves by breaking down competition, they make the consumer pay the expense of the experiment and such further charge as they think the business will bear. It is difficult, if not impossible, to punish these combinations as conspiracies without such invasion of private right as would, perhaps, constitute an equivalent or greater evil. It is evident, however, that there must be devised some system of regulation to meet a new danger with new remedies. Possibly rascalities of this nature may be repressed by taxation. At any rate, if the 'trusts' be not conspiracies, there should be such publicity of '*their understandings among gentlemen*' as to enable the public to take proper measures for self protection."

Comparisons are generally odious, but I shall, nevertheless, attempt to make one. The corporations and "trusts" of this gloriously free country may well be compared to the aristocracy in Europe in their relations with the people: both are tolerated and highly privileged, although the corporations and "trusts" are far more influential, powerful, and injurious here than are the aristocracy of Europe in their own countries. And, inconsistent as it may appear, many of our "Fourth of July orators" and others loudly denounce the blooded and titled aristocracy of Europe, which does not and can not injure us here, but say nothing about the great combinations here in our midst, and allow them to continue to rule and rob us. Let us just for a moment look at things as they really are. Practically, all the great necessities of life in this country, excepting only the air—and

that would be monopolized if it had solidity, like the earth—are now controlled by soulless and mercenary combinations. Are these things inevitable? Are they the legitimate product of our civilization? If they are, we had better begin anew. But they are not the outgrowth of progress. They are rather fungous growths—horrible excrescences. They are the fruits of bad legislation; and bad judicial construction of already bad laws. Laws enacted by professional politicians have erected monopolies that have already absorbed more than one-half of the wealth of the country and like vampires are sucking the life-blood of the people. The unorganized masses of consumers and producers can protect themselves against these "trusts" in but one way, and that is through laws which will utterly overthrow and prevent such giant growths. The primary object and justification of government is to protect the weak and prevent a powerful few from wronging the many. But if we cannot bring the Standard Oil Trust into subjection to the law, how will we ever cope with all those other "trusts" organized for the express purpose of evading all laws Congress may pass, and to violate with impunity every State law that can be enacted. But these combinations have at present such a powerful grip upon Congresses and Legislatures, that they will not permit efficient laws to restrain them to be enacted. Think of it! It is estimated by reliable authority that much more of the wealth of the United States is now owned and controlled by corporations and monopolistic trusts, than by private persons. Fifty years ago corporations were nothing; now they are everything. They dominate all channels of activity; they control governors, judges and legislatures; they make hewers of wood and drawers of water of all who are outside of their charmed circles. It is perhaps well, from an orthodox, fire and brimstone standpoint, that they are soulless entities without moral responsibility. Or what would be their future state? The first telegraph line ever built in the United States was largely built at the expense of the Federal Government. Suppose that the government had then bought out Mr. Morse and extended the system gradually over the country, would the men managing it have exercised any more political influence than has at all times been exercised by Jay Gould and his partners in the present management of the telegraphic system of the country? That there might have been stealing goes

without saying ; but, basing our knowledge upon human experience, there is no probability that Government officials could ever have stolen such amounts as are represented by the "water" in the stock of the Western Union Telegraph Company, on which those using the telegraph are taxed to pay dividends. The same truth applies to the Pacific railroads. They were built by private parties with money obtained from the sale of Government bonds and lands. The men who obtained control of this work not only paid to themselves extravagant prices for doing it, but they robbed the treasury of thirty-three millions of dollars over and above their own estimate of the cost of the roads. The building of a road to the Pacific was at the time a military, political, and commercial necessity, and it was on that ground that Government aid was given in its construction. But if the Government had a right to help build it—it had a right to build it without the aid of private parties. Had it done so, and then operated it, there might have been some stealing, and the managers might have gained some political influence, but does any one imagine that they could have gained such influence over Congress as that exercised by the railway ring, and disclosed by the Credit Mobilier investigation, or that all of them together could have committed such robberies as have been exposed by the recent report of the Pacific Railway Commission ?

Government officials would have been sent to the penitentiary for the hundredth part of the offenses that have made private citizens "great financiers," governors, judges and United States Senators. Had the Government built the Pacific railroads and the telegraph lines and kept them in its possession the cost of the building would by this time have ceased to be a factor in operating them. This would have been a few big steps towards an important and permanent advantage to the people at large. It would mean cheaper telegraphic facilities, cheaper travel and cheaper transportation for freight for all time to come. But instead of having what should be really theirs, they are now compelled to pay large tribute to a few millionaires for its use. And yet in the very teeth of these facts the work of creating new gigantic and dangerous "trusts" or combinations, seems to be increasing and going steadily on. The plain truth is that gigantic corporations like the Pacific railroads and the Western Union Telegraph Company are beyond and above the control of municipal

ordinances or State laws. It is even doubted by many, whether the vast powers of the General Government will prove to be sufficiently potential against such an aggregation of capital and brains. Exercising functions that are largely public in their character they nevertheless enjoy all the rights and all the advantages of private enterprises. As absolutely essential agencies for the transaction of business they are protected by the business interests of the country from the operation of laws enacted for the purpose of bringing them into subjection to authority.

There is nothing democratic about such vast monopolies for controlling those channels through which intelligence and traffic are effected. Competition is crushed by its very weight, holding business men by the throat, and forcing them to deliver. They are despotic in spirit, tyrannical in method, openly hostile to liberty and free institutions, and threatening menaces to the pursuit of happiness, and to equality and equal opportunities under the law. When the people of this country once get their eyes wide open they will hardly permit such dangerous excrescences to fasten their deathlike grip upon our liberties and our laws; and if the recent consolidation of the Baltimore and Ohio Telegraph Company with the Western Union shall have the practical effect to direct public attention seriously to the monstrous and abnormal growth of the Western Union monopoly, there will arise such a loud and vigorous protest of public sentiment in opposition to the general introduction of such a dangerous factor in public and business affairs, as will raise such a flood tide of antagonism that those who have provoked it must not complain if they shall be swept beyond the line of justice by its violence. They are so big that they will not be admonished; they will not bend, and that means that sooner or later they must be broken. No doubt there are a great many well meaning people in this country who are allowing foolish fears to make them think and act falsely, not only to their own true interests, but to their Americanism, to their natural tendencies and honest convictions. They view the steady growth of monopolistic monstrosities with increasing alarm, but they do nothing to prevent it. They ardently believe in democratic institutions, and feel their hearts stirred now and then by the old-time passion for liberty, and yet shut their eyes to the steady growth of a public sentiment among the friends of monopoly in favor of

a "strong government" that will depend on force alone for the maintenance of public order. Why is this? There is on the other hand a growing sentiment of unrest and disgust among all who really believe in democratic institutions. They begin to see that something must be done, but they are not agreed as to what that something is. Many of them wilfully shut their eyes to the only remedy that can put an end to the tendency that enables rich men to rule.

It is poverty, not ignorance, that makes voters submissive. Ignorance does not make men humble; it makes them conceited. It is dependence, not fear, that enables the rich man to carry his followers to the polls, as the old baron took his retainers into battle. The only salvation for republican institutions is the utter abolition of our present system of tolerating unequal opportunities, whether they be natural or the creatures of law.

Harshly as the system grates on the true interests and the sense of justice of the people, they are but slowly provoked to aggressive action; but when they once plainly see these great so-called trusts reaching out to control arbitrarily the cost of necessities of business or of life, there will be a speedy popular combination against the combines, and it will be revolutionary if revolutionary action shall be needed to overthrow this assault upon the natural and economic laws of production and consumption, and of supply and demand. There is, however, still a faint ray of hope to some people since the colossal conspirators of the Pacific railroads have come forward with a compromise to fund the proceeds of their rascality into a fifty years' bond, and other "trusts" may do the same later on. The lamented Judge Black once described such a scheme as this, as an invention to increase the plunderer's stealing powers, "through which his felonious fingers are made long enough to reach into the pockets of posterity," so that he "lays his lien on property yet uncreated, anticipates the labor of coming ages, coins the industry of future generations into cash, and snatches the inheritance from children whose fathers are unborn."

W. M. RAPSHER.